



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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August 21, 1997

Roger B. Smith
International Uranium Corporation
2555 North Highway 89A
HC 64 Box 153
Fredonia, Arizona 86022

Re: Approval of Permit Amendment, International Uranium Corporation USA (IUC), Rim-Columbus Mine, M/037/006, San Juan County, Utah

Dear Mr. Smith:

The Division has completed a review of the proposed amendment to the Rim-Columbus Mine permit received June 23, 1997. The amendment proposes to utilize approximately 1.6 acres at the Humbug Portal which has been disturbed by previous mining activities. **The Division hereby approves of this amendment to the existing large mine permit.** This amendment changes the proposed use of 1.6 acres within the existing permit area. **This amendment does not increase the amount of disturbed area in the approved permit, therefore, the Division will not require an adjustment in the existing reclamation surety at this time.** Information used to support this decision is listed below.

Current Permit Description

The large mine "permit area" includes approximately 12.8 acres at the Rim Shaft located on the top of the mesa, and approximately four acres at the Humbug and Columbus portals located down off the mesa. The mine permit involves all BLM administered lands. The Rim Shaft site includes several metal buildings, two water treatment ponds, a waste dump, a mine fan, and the headframe and hoist for the shaft. The Columbus portal is a decline with some old wooden loadout structures and narrow gauge rail at the opening. Some power poles and associated power distribution hardware are also at this portal. The Humbug portal is a decline in a long trench opening with a few power poles and an old compressor tank. Both portals include a pad area and waste dump. Approximately four acres of previously disturbed area at these portals were included in the Rim-Columbus large mine permit approved by the Division. The permit described the Humbug and Columbus portal areas as being used for ventilation or secondary escape route purposes only. The approved permit did not include utilizing these portals for ore removal or placing additional waste rock on the mine dumps. Reclamation of these four acres as described in the permit includes closure or sealing of the portals and seeding the affected areas. The pre-law angle of repose waste dumps were not required to be regraded or topsoiled at final reclamation. The permit description of reclamation of these four acres did not include topsoil replacement or borrowing topsoil due to the lack of topsoil salvaged during the pre-law mining activities. The current reclamation surety held by the Division for this permit is \$44,100. The approved permit area is

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approximately 17 acres (16.8 acres) in size, however, the amount of surface area currently disturbed is estimated as 13 acres. The current average dollar amount per disturbed acre is \$3,392.

June 20, 1997 Amendment Description

The amendment describes the use of 1.6 acres of previously disturbed area for ore stockpiling and waste rock placement. This amendment does not increase the "permit disturbed area" but changes the proposed use of portions of the four acre area. The change in use of this area is the removal of ore and waste through the Humbug portal and the placement of waste within the existing disturbed area. The waste will be used to fill in an excavation rather than being placed on the existing angle of repose waste dumps. The mine waste may be used to backfill the trench at the mouth of the portal. Filling in the excavation and possibly backfilling the portal trench were not reclamation tasks required by the Division under the existing approved permit. While onsite, it was also determined that IUC would need to construct several drainage channels as part of this amendment. These constructed channels would re-establish the natural drainage patterns of several diverted drainages. The four acre area at the two portals would still be seeded at final reclamation as described in the current permit.

IUC may proceed with this amendment as scheduling allows, provided the other appropriate federal and state permits have been obtained, in particular, we are aware that IUC will need approval from the BLM prior to these amended operations. Thank you for your cooperation in completing this permitting action. If you have any questions I can be reached by phone at (801) 538-5267.

Sincerely,



Anthony A. Gallegos
Senior Reclamation Specialist

jb
cc: Ted McDougall, BLM San Juan RA
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